

www.house.gov/hensarling/rsc

ph (202) 226-9717 / fax (202) 226-1633

Staff Contact: Brad Watson (x69719)

July 31, 2007

Appropriations Policy Brief

H.R. 3161 — Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act for FY 2008

BY THE NUMBERS:

In Millions of Dollars

	FY07	FY08 Bush Request	FY08 Cmte v Committee Reques		Cmte v. FY07	
Appropriations	17,774	17,835	18,817	982	1,043	
Emergency Approps	3,615	0	0	0	-3,615	
TOTAL	21,389	17,835	18,817	982	-2,572	

Excluding Emergency Appropriations, the Committee Bill is:

- > \$982 million or 5.5% more than the request
- > \$1.04 billion or 5.9% more than last year

<u>Budget Compliance</u>: According to CBO, the bill is within the 302(b) allocation of the Agriculture Subcommittee and thus complies with the Budget Act.

Earmarks:

A list of earmarks are included as part of the Committee Report.

Items of Note:

Hunger Fellowship Program: Provides \$2.5 million for Bill Emerson and Mickey Leland Hunger Fellowships. No funding was requested for this program and none was provided last year.

The Foreign Agricultural Service: The FAS maintains attachés at 97 foreign posts to assist overseas development of markets for U.S. farm commodities—largely through collecting information regarding a foreign government's policies, market conditions, etc. This function

could be performed by the private sector that benefits from such services. H.R. 3161 provides \$164 million for the FAS, an *increase* of \$2.8 million over last year. The FY 2007 RSC budget called for a 30-percent reduction in such attachés and a 10-percent reduction in all other activities, except the general sales manager.

Funding for the National Agricultural Statistics Service: The Service provides estimates of acreage, yield, and production of crops, stocks, and value of farm commodities, and numbers of inventory values of livestock items. Data on crops and livestock products are covered in over 500 reports issued each year. H.R. 3161 provides \$166 million for FY 2008 (+\$19 million from FY 2007). The FY 2007 RSC budget would have reduced funding for the Service by 20 percent.

Watershed Surveys and Planning Program (NRCS). Enacted in 1954, the purpose of this program is to assist federal, state, and local agencies and tribal governments in protecting watersheds from damage caused by erosion, floodwater, and sediment and to conserve and develop water and land resources. Conservation programs are conducted through a number of accounts within the Natural Resources Conservation Service (NRCS), and current conservation operations within the Department of Agriculture could be combined and reprioritized. The President's budget proposed eliminating this program, as did the FY 2007 RSC budget. H.R. 3161 would provide \$6.6 million for it, an increase of \$500,000 from last year.

Watershed and Flood Prevention Operations (NRCS). This program provides technical and financial assistance to local communities to plan, design, and construct flood prevention, water supply, and water quality improvement projects. By agreement with the Army Corps of Engineers, this program funds only operations in small, rural watersheds and in communities with small populations. In the 2004 Budget, OMB compared the cost effectiveness of the Corps of Engineers, Natural Resources Conservation Service (NRCS), and Federal Emergency Management Agency flood damage reduction programs. Evaluation of projects completed over a five-year period demonstrated that NRCS' program provided the fewest benefits per dollar. The Administration requested no funding for this program and it received no funding last year. H.R. 3161 would provide \$37 million.

Resource Conservation and Development Program. The purpose of the Resource Conservation and Development (RC&D) program is to accelerate the conservation, development, and utilization of natural resources, improve the general level of economic activity, and to enhance the environment and standard of living in designated RC&D areas. Conservation programs are conducted through a number of accounts within the Natural Resources Conservation Service, and current conservation operations within the Department of Agriculture could be better combined and reprioritized. The FY 2007 RSC budget would have eliminated this program. However, H.R. 3161 would provide \$51 million for it, \$1 million more than last year and \$38 million more than the President's request.

Special Supplement Nutrition Program for Women, Infants, and Children (WIC). \$5.6 billion is provided for this program, an increase of \$416 million or 8 percent compared to last year, and an increase of \$233 million or 4.3 percent compared to the President's request.

Commodity Assistance Program. \$150 million is provided for this program, an increase of \$43 million or 40 percent compared to last year. The President's budget requested no funding for this program on the argument that the program duplicates two other Federal nutrition assistance programs: the WIC program and the Food Stamp program.

Funding Summaries:

In Thousands

	FY 2007	FY 2008	FY 2007	Cmte vs	House vs	House vs	House vs
	Enacted	Request	Cmte	FY 2007	Request	FY 2007	Request
Agriculture Programs	Enacted	Request	Cinte	F1 2007	Request	F1 2007	Request
Office of the Secretary	5,097	18,355	5,505	408	-12,850	8.0%	-70.0%
Executive Operations	166,227	85,737	59,576	-106,651	-26,161	-64.2%	-30.5%
Hazardous Materials Management	11,887	12,200	12,200	313	0	2.6%	0.0%
Economic Research Service	75,193	82,544	77,782	2,589	-4,762	3.4%	-5.8%
Agriculture Research Service S&E	1,128,944	1,037,517	1,140,340	11,396	102,823	1.0%	9.9%
Cooperative State Research, Education and Extension	1,182,939	1,020,693	1,152,022	-30,917	131,329	-2.6%	12.9%
Outreach to Socially Disadvantaged Farmers	5,940	6,930	6,930	990	0	16.7%	0.0%
· ·							-7.8%
Animal and Plant Health Inspection Service S and E	851,176	954,481	879,589	28,413	-74,892	3.3%	
Agriculture Marketing Service	112,696	113,120	118,077	5,381	4,957	4.8%	4.4%
Grain Inspection, Packer and Stockyards Admin	37,785	44,385	41,115	3,330	-3,270	8.8%	-7.4%
Food Safety and Inspection Service	892,136	930,120	930,120	37,984	101.252	4.3%	0.0%
Farm Service Agency, S and E	1,030,193	1,228,662	1,127,409	97,216	-101,253	9.4%	8.2%
Loan Subsidies.	16,739	14,762	14,762	-1,977	0	-11.8%	0.0%
Agriculture Credit Insurance Expenses	311,229	319,657	318,150	6,921	-1,507	2.2%	-0.5%
Risk Management Agency	76,658	79,062	78,833	2,175	-229	2.8%	-0.3%
Conservation Programs	510	000	5 04	20			7.00v
Office of the Under Secretary	742	822	781	39	-41	5.3%	-5.0%
Conservation Operations.	763,360	801,825	851,910	88,550	50,085	11.6%	6.2%
Watershed Surveys and Planning	6,056	0	6,556	500	6,556	8.3%	
Watershed and Flood and Prevention	0	0	37,000	37,000	37,000		
Watershed Rehabilitation	31,309	5,807	31,586	277	25,779	0.9%	443.9%
Resource Conservation	51,088	14,653	52,370	1,282	37,717	2.5%	257.4%
Rural Development							
Office of the Under Secretary	632	695	666	34	-29	5.4%	-4.2%
Rural Community Advancement Program	737,135	570,491	728,807	-8,328	158,316	-1.1%	27.8%
Salaries and Expenses (Including Transfers)	161,298	208,194	175,382	14,084	-32,812	8.7%	-15.8%
Rural Housing Loan Authorization	5,027,750	5,087,919	5,100,000	72,250	12,081	1.4%	0.2%
Rental Assistance Program	616,020	567,000	533,020	-83,000	-33,980	-13.5%	-6.0%
Mutual and Self-Help Housing Grants	33,660	9,500	40,000	6,340	30,500	18.8%	321.1%
Rural Housing Assistance Grants	43,603	39,000	39,000	-4,603	0	-10.6%	0.0%
Farm Labor Program Account	32,137	9,849	46,630	14,493	36,781	45.1%	373.4%
Rural Business-Cooperative Loan Authorization	14,927	14,485	14,485	-442	0	-3.0%	0.0%
Rural Development Loan Fund	19,701	19,061	19,346	-355	285	-1.8%	1.5%
Rural Cooperative Development Grants	26,718	20,928	29,193	2,475	8,265	9.3%	39.5%
Rural Empowerment Zone Grants	11,088	0	11,088	0	11,088	0.0%	
Renewable Energy Programs	22,841	33,941	46,000	23,159	12,059	101.4%	35.6%
Rural Utility Loan Authorization	6,079,524	4,790,000	5,290,000	-789,524	500,000	-13.0%	10.4%
Rural Utility Loan Subsidy	3,641	120	120	-1,999	0	-55.0%	0.0%
Dist. Learning, Telemedicine, Broadband Loan Auth	495,000	300,000	300,000	-195,000	0	-39.4%	0.0%
Dist Learning and Telemedicine Loans Subsidies	49,253	31,200	59,270	10,017	28,070	20.3%	90.0%
Domestic Food Programs							
Office of the Undersecretary	597	655	628	31	-27	5.2%	-4.1%
WIC	5,204,430	5,386,597	5,620,000	415,570	233,403	8.0%	4.3%
Commodity Assistance Program	107,202	0	150,000	42,798	150,000	40.0%	
Foreign Assistance							

Foreign Agriculture Service	161,304	173,194	164,121	2,817	-9,073	1.7%	-5.2%
McGovern-Dole Int'l School Lunch Program	99,000	100,000	100,000	1,000	0	1.0%	0.0%
PL 480 Program Appropriation	1,218,084	1,222,161	1,222,149	4,065	-12	0.3%	0.0%
FDA							
Salaries and Expenses Including Fees	1,569,244	1,635,709	1,690,709	121,465	55,000	7.7%	3.4%
Buildings and Facilities	4,950	4,950	4,950	0	0	0.0%	0.0%
Other and General Provisions							
Commodity Future Trading Commission	97,981	116,000	102,550	4,569	-13,450	4.7%	-11.6%
Hunger Fellowships	0	0	2,475	2,475	2,475		
Denali Commission	7.12	0	0	-743	0	-100.0%	
Denan Commission	743	0	U	-743	U	-100.070	
Specialty Crop Grants	6,930	0	10,000	3,070	10,000	44.3%	144.3%